

BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 93-417-C - ORDER NO. 93-631 ✓  
JULY 14, 1993

IN RE: Application of Dial Page, Inc. for        ) ORDER GRANTING  
      Authorization to Issue Common Stock        ) AUTHORIZATION  
                                                          ) TO ISSUE  
                                                          ) COMMON STOCK

Dial Page, Inc. (Dial Page or Applicant) comes before the Public Service Commission of South Carolina (the Commission) seeking authority to issue up to 5,000,000 shares of common stock to finance partially the organization and development of a wholly-owned subsidiary, Dial Call, Inc. The business of Dial Call, Inc. will be to purchase existing telecommunications businesses providing "specialized mobile radio" (SMR) service, and to develop further a regional system providing SMR service throughout the Southeast. Commission approval of the issuance of the stock is required by §58-11-240, Code of Laws of South Carolina, 1976, as amended, since Applicant holds a Certificate of Public Convenience and Necessity issued by the Commission to provide radio common carrier service to the public in the State of South Carolina.

Applicant is a Delaware corporation admitted to do business in the State of South Carolina. Applicant owns and operates radio common carrier systems in South Carolina, North Carolina, Georgia,

Florida, and Tennessee. Dial Page has formed a wholly-owned subsidiary, Dial Call, Inc., to develop a regional communications system to provide SMR service to customers in the southeastern United States. SMR service provides two-way communication capability, unlike paging (Dial Page's business) which provides only one-way communication capability. Dial Call, Inc. has been formed to acquire existing SMR businesses in the Southeastern United States and to develop the proposed regional system further by applying for the requisite FCC authority to construct and operate new SMR facilities in the southeastern United States.

To raise the initial capital required to complete organization of Dial Call, Inc., Dial Page has entered into agreements with certain parties who already own Dial Page stock to purchase an additional 464,000 shares of Dial Page stock at a price of \$12.00 per share. These present investors have also committed to purchase warrants for an additional 116,000 shares of Dial Page stock, the warrants to be priced at \$2.50 per warrant. Each warrant will allow the holder to purchase one share of Dial Page stock for \$13.00 per share. The total amount of capital to be raised through sale of these shares and warrants is \$5,858,000.00. In addition, Dial Page has agreed with two partnerships affiliated with Boston Ventures Management, Inc. to sell the partnerships 1,740,000 shares of Dial Page stock at a price of \$12.00 per share, and warrants to purchase an additional 435,000 shares of Dial Page stock at a price of \$13.00 per share, for \$2.50 per warrant. The total capital to be raised through

sale of the stock and warrants to the partnerships is \$21,967,000.00. The total capital to be raised through sale of the stock and warrants to both current investors and the new investors is \$27,825,000.00, all of which will be invested by Dial Page into Dial Call, Inc.

Dial Call, Inc. has entered into an Asset Purchase and Sale Agreement with York Communications Group and its affiliated companies to purchase York's SMR business which provides service to customers in South Carolina, North Carolina, Tennessee, Georgia, and Virginia. York has agreed to sell its SMR business to Dial Call, Inc. in exchange for up to 300,000 shares of Dial Page stock, the exact number to be determined after adjustments to the purchase price for assumed debt and other matters. In addition, Dial Call, Inc. is negotiating with a number of potential sellers of SMR systems throughout the Southeast, some of whom have expressed interest in receiving some or all the purchase price in the form of Dial Page shares.

Dial Page seeks authority in this Application to issue 2,204,000 shares to certain present and new investors in exchange for cash of \$12.00 per share, or \$26,448,000.00. Dial Page also seeks authority to issue, upon the exercise of the warrants described herein, up to 551,000 additional shares at a price of \$13.00 per share. Dial Page is also seeking authority to issue up to 300,000 shares of stock to complete the acquisition by Dial Call, Inc. of the SMR assets and business of York Communications Corporation. The stock committed to be issued, assuming the

warrants are fully exercised, totals 3,055,000 shares. In addition, Dial Page requests authority to issue up to an additional 1,945,000 shares for capital to be invested in Dial Call, Inc., or in connection with Dial Call, Inc.'s acquisition of SMR systems and facilities.

Having reviewed the Application, the Commission believes the Applicant's request for authority to issue common stock for the purposes set forth in the Application should be approved and the requested authority granted. The Commission finds that the purpose of the issuance of stock, to raise capital to finance the organization of its wholly-owned subsidiary, Dial Call, Inc. or to pay for the acquisition of SMR assets or facilities to be purchased by Dial Call, Inc. is a proper purpose. The Commission finds further that the amount of securities for which authorization is sought, 5,000,000 shares, is reasonably necessary for the implementation of the plan described in the Application. Having found that the purpose of the issuance of securities proposed by Applicant satisfies the requirements of §58-11-240, Code of Laws of South Carolina, 1976, as amended,

IT IS THEREFORE ORDERED:

1. That Dial Page, Inc. be, and it is hereby authorized, empowered, and permitted to issue up to 5,000,000 shares of its common stock pursuant to the terms and conditions set forth in its Application;

2. That this Order shall be deemed the Certificate of Authority described in §58-11-240, Code of Laws of South Carolina,

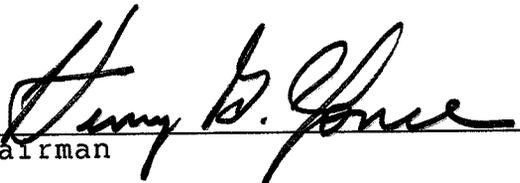
1976, as amended;

3. Approval of this Application does not bind the Commission as to the ratemaking treatment of the issuance;

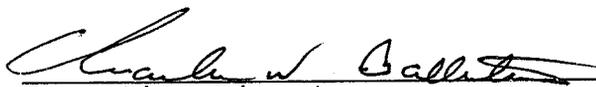
4. This Order shall not in any way affect or limit the right, duty, or jurisdiction of the Commission to investigate, order revisions, modifications, or changes with respect to the provisions of this Order in accordance with the law; and

5. This Order shall be effective upon issuance and shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

  
Chairman

ATTEST:

  
Executive Director

(SEAL)